



# Distillate Watch

December 29, 1999

Energy Information Administration  
Office of Oil & Gas

## SUPPLY

- Distillate stocks fell 5.8 million barrels (MMB) to 123.1 MMB on December 24, 1999. The largest decrease was on the East Coast, which dropped 4.7 MMB for the week due to a cold snap in the region. Total U.S. heating oil stock decreased to 59.1 MMB, 2.8 MMB lower than last week, while low-sulfur stock at 64.1 MMB fell by 2.9 MMB. Distillate demand increased to 4.1 million barrels per day (MMBD), 0.2 MMBD over last week. Total distillate production fell to 3.3 million barrels per day. Imports dropped slightly to 0.2 million barrels per day.
- This week U.S. crude oil input decreased to 14.4 MMBD with refiners utilizing 89.7 percent of 16.2 MMBD in operating capacity.

### Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	12/03/99	12/10/99	12/17/99	12/24/99	12/25/98	12/03/99	12/10/99	12/17/99	12/24/99	12/25/98
East Coast (PADD I)	473	387	390	392	408	199	172	172	192	143
Midwest (PADD II)	935	872	860	775	897	657	657	650	572	645
Gulf Coast (PADD III)	1,647	1,602	1,557	1,519	1,619	1,064	1,022	1,037	999	952
Rocky Mountain (PADD IV)	164	151	157	149	112	134	117	118	120	90
West Coast (PADD V)	486	427	448	448	413	374	341	330	351	343
U.S. Total	3,705	3,439	3,412	3,283	3,449	2,428	2,309	2,307	2,234	2,173

### Distillate Stocks by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	12/03/99	12/10/99	12/17/99	12/24/99	12/24/98	12/03/99	12/10/99	12/17/99	12/24/99	12/24/98
East Coast (PADD I)	58.5	57.2	56.3	51.6	76.5	16.8	17.0	16.8	15.1	22.8
PADD IX	13.1	12.7	11.8	10.6	NA	1.5	1.8	1.6	1.5	NA
PADD IY	32.5	32.1	30.7	29.5	NA	8.0	8.3	7.7	7.3	NA
PADD IZ	12.9	12.4	13.8	11.5	NA	7.3	7.0	7.5	6.3	NA
Midwest (PADD II)	31.7	31.7	31.1	30.7	32.8	22.1	21.7	21.4	21.0	23.2
Gulf Coast (PADD III)	29.8	28.9	27.7	26.3	31.2	18.3	17.9	17.6	16.3	18.6
Rocky Mountain (PADD IV)	3.0	2.9	3.0	3.1	3.1	2.7	2.6	2.6	2.6	2.6
West Coast (PADD V)	11.7	11.2	10.7	11.5	12.1	9.2	8.9	8.6	9.1	8.8
U.S. Total	134.8	131.8	128.9	123.1	155.7	69.1	68.0	67.0	64.1	75.9

\* See the *Weekly Petroleum Status Report* Appendix A for a description of the derivation of average inventory levels.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet: [Infoctr@eia.doe.gov](mailto:Infoctr@eia.doe.gov).

Source: Energy Information Administration, *Weekly Petroleum Status Report* (WPSR). Year-ago production data taken from comparable week last year; year-ago stock data interpolated from final Petroleum Supply Monthly data.

## PRICES

- Smaller-than-expected crude oil stock draws and an end-of-year sell-off in the futures market lowered spot crude oil prices. Crude oil markets then turned higher around Christmas in thin holiday trading, with gains largely attributed to short-covering and Iran's contention that OPEC production cut agreements would probably be extended for another three to six months beyond March 2000. Cold weather in the United States and Europe helped strengthen the increase in distillate spot prices. The New York Harbor spot price for heating oil finished the week almost a penny higher at 69.85 cents per gallon on December 27, 1999.
- The three-week downturn in the average U.S. on-highway diesel fuel price ended with a 1.1-cent uptick, putting the last price recorded for 1999 at 129.8 cents per gallon. Only the Gulf Coast and Rocky Mountain regions were able to avoid this week's increase. The residential heating oil price stood at 112.1 cents per gallon for the December 20, 1999 collection period, 1.2 cents above December 6. Higher crude oil prices are the culprit behind year-end retail gasoline, diesel fuel, and heating oil price increments of about 30 cents over last year.

### No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	12/06/99	12/13/99	12/20/99	12/27/99	12/28/98	12/06/99	12/13/99	12/20/99	12/27/99	12/28/98
New York	67.84	64.98	69.93	<b>70.45</b>	32.65	66.91	63.50	68.93	<b>69.85</b>	31.38
Chicago	67.93	65.50	72.15	<b>71.30</b>	32.20	NA	NA	NA	<b>NA</b>	NA
Houston	65.56	62.48	68.28	<b>69.65</b>	30.25	64.76	61.63	66.13	<b>66.73</b>	29.50
Los Angeles (CARB)	73.00	71.50	79.50	<b>81.50</b>	39.50	NA	NA	NA	<b>NA</b>	NA

Source: Reuters Information Services.

### No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes\*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	12/06/99	12/13/99	12/20/99	12/27/99	12/28/98	11/01/99	11/15/99	12/06/99	12/20/99	12/21/98
East Coast (PADD I)	128.5	128.1	128.0	<b>129.0</b>	97.7	102.6	106.1	111.9	<b>113.2</b>	86.7
PADD Ix	135.5	135.4	135.8	<b>136.7</b>	107.3	98.9	102.4	108.6	<b>109.6</b>	80.7
PADD Iy	136.7	137.0	136.9	<b>137.3</b>	106.3	106.1	109.8	115.4	<b>116.9</b>	91.4
PADD Iz	124.4	123.6	123.5	<b>124.8</b>	93.1	95.4	98.1	103.4	<b>104.3</b>	85.4
Midwest (PADD II)	129.1	128.2	127.7	<b>129.6</b>	94.1	95.9	99.8	103.1	<b>103.5</b>	75.6
Gulf Coast (PADD III)	125.6	125.5	125.8	<b>125.7</b>	93.8	NA	NA	NA	<b>NA</b>	NA
Rocky Mountain (PADD IV)	133.6	133.8	133.5	<b>133.2</b>	99.7	NA	NA	NA	<b>NA</b>	NA
West Coast (PADD V)	137.5	136.1	136.3	<b>137.3</b>	105.9	NA	NA	NA	<b>NA</b>	NA
California	145.9	143.2	144.2	<b>145.4</b>	111.5	NA	NA	NA	<b>NA</b>	NA
U.S. Average**	129.4	128.8	128.7	<b>129.8</b>	96.6	101.8	105.4	110.9	<b>112.1</b>	85.5

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-888, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

\* Taxes, if any, are not included in residential heating oil prices.

\*\* Residential heating oil average is for PADDs I and II only.

NA =Not Available.

For information about distillate spot and diesel fuel retail price data, contact the National Energy Information Center: 202-586-8800; Internet: [Infoctr@eia.doe.gov](mailto:Infoctr@eia.doe.gov).